

State of Wisconsin



Governor Scott Walker

Department of Agriculture, Trade and **Consumer Protection**

Ben Brancel, Secretary

Department of Justice J.B. Van Hollen **Attorney General**

Release Date: July 15, 2011

JUDGE SIGNS FINAL ORDER FOR \$100,000 FORFEITURE AGAINST BOWERS FEED AND GRAIN, INC.

MADISON -- Attorney General J.B. Van Hollen and Secretary Ben Brancel announced today a \$100,000 judgment against Bowers Feed and Grain, Inc. and its owner, Jim Vandenberg, a Brown County grain warehouse keeper and dealer. The judgment brings to a close four years of investigation and litigation over Bowers' violations of the State's grain security laws, led by DATCP and prosecuted by the Wisconsin Department of Justice.

"The state's grain security laws are on the books to protect producers," said Secretary Brancel. "Producers who believe Bowers still owes them money should get in touch with DATCP immediately."

Bowers violated state grain security laws by holding neither a grain dealer's license nor a grain warehouse keeper's license, yet repeatedly failing to pay cash on delivery for grain and continuously storing more than 50,000 bushels of grain. Bowers also continuously failed to maintain the quantity of grain it was supposed to be holding in storage for others.

Wisconsin grain security laws require that grain dealers are licensed and, if not, that the grain dealer pay cash on delivery for all producer grain it purchases. Grain security laws also require that no grain warehouse keeper hold at any time more than 50,000 bushels of grain for others without a current annual license from DATCP. Furthermore, the grain security laws require that anyone storing grain for others must maintain the quantity and quality of that grain.

State grain security laws are in place to protect farmers who store their grain with warehouses or sell grain to dealers. The laws require that a warehouse or dealer maintains sufficient stores of grain to return to the farmer or has the funds to pay the farmer when the grain is sold.

In 2010, the Department of Justice settled with Bowers by requiring the company to immediately obtain the required amount of grain in storage, enjoining the company from purchasing grain from producers for fifteen months, and requiring the company to make all producers whole for whom it owed money or grain. The settlement also required forfeitures, which could be have been reduced by Bowers's continued compliance with the laws and the judgment. However, Bowers failed to come into compliance and immediately violated the settlement agreement. In an effort to make producers whole, The Department of Justice moved for contempt three times, and although the lower court found the company in contempt, it struck the forfeitures.

The State appealed the lower court's elimination of forfeitures, and the appeals court agreed. Pursuant to the appeals court decision, the lower court reinstated the forfeiture amount of \$100,000.

"We will continue to work with the Department of Agriculture, Trade and Consumer Protection to ensure the state's grain security laws are enforced," said Van Hollen.

Producers with questions or complaints about this company's practices should call Jeremy McPherson, **DATCP** Director Bureau of Business Trade Practices, at (608) 224-4922.

Assistant Attorney General Lara A. Sutherlin represented the State in this case, and investigative assistance was provided by the Wisconsin Department of Agriculture, Trade and Consumer Protection.